

AUSTIN

CONVENTION CENTER



THE WHY OF CONVENTION CENTERS

- Local Travel-Generated Tax revenues
 - Taxes from Hotel Occupancy, Rental Car, Sales, & Property
 - Reported amounts from the State include taxes generated from both visitors and residents/businesses within the tourism industry
 - 2015 Estimated Local Tax Impact of \$192.5 million* – including:
 - \$79.4 million in Hotel Occupancy Tax
 - \$ 8.9 million in Rental Car Tax
 - \$33-38 million in City's General Fund Taxes – Sales & Property

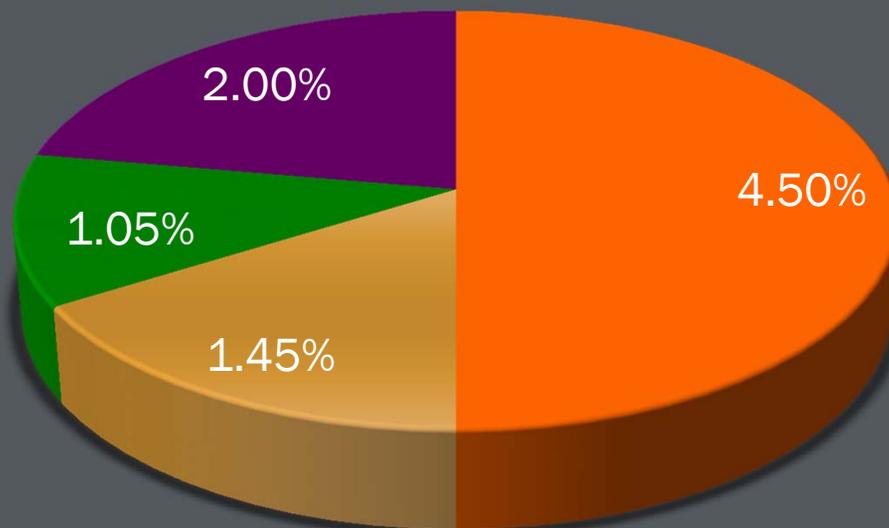
* data from State of Texas Office of Governor, Economic Development and Tourism Estimates, July 2016



THE WHY OF CONVENTION CENTERS

- Hotel Occupancy Tax (HOT) – Closer Look
 - HOT uses governed by Texas State Tax Code, City Code and Bond Covenants

9% HOT Distribution



- ACC Facility/Ops
- ACVB Sales/Marketing
- Cultural Arts
- ACC Venue

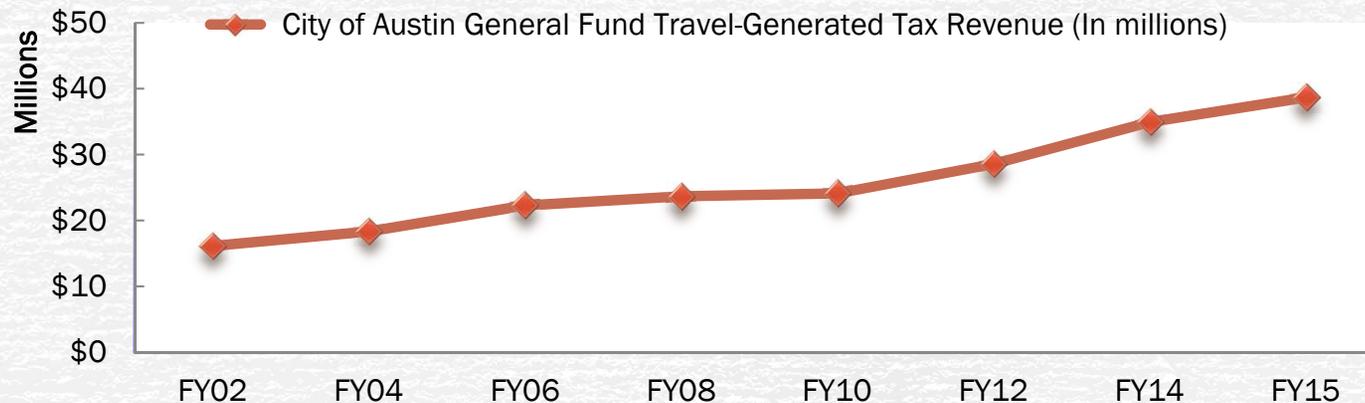
Austin Convention Center = ACC
Austin Convention & Visitors Bureau = ACVB

7 % HOT allocation per City Code, excluding the 2% Venue (governed by separate State law):

- 4.5% ACC = 64.3% of 7 percent
- 1.45% ACVB = 20.7% of 7 percent
- 1.05% Cultural Arts = 15% of 7 percent (max allowed by State law)

THE WHY OF CONVENTION CENTERS

Contributions to the City's General Fund - Historical Look



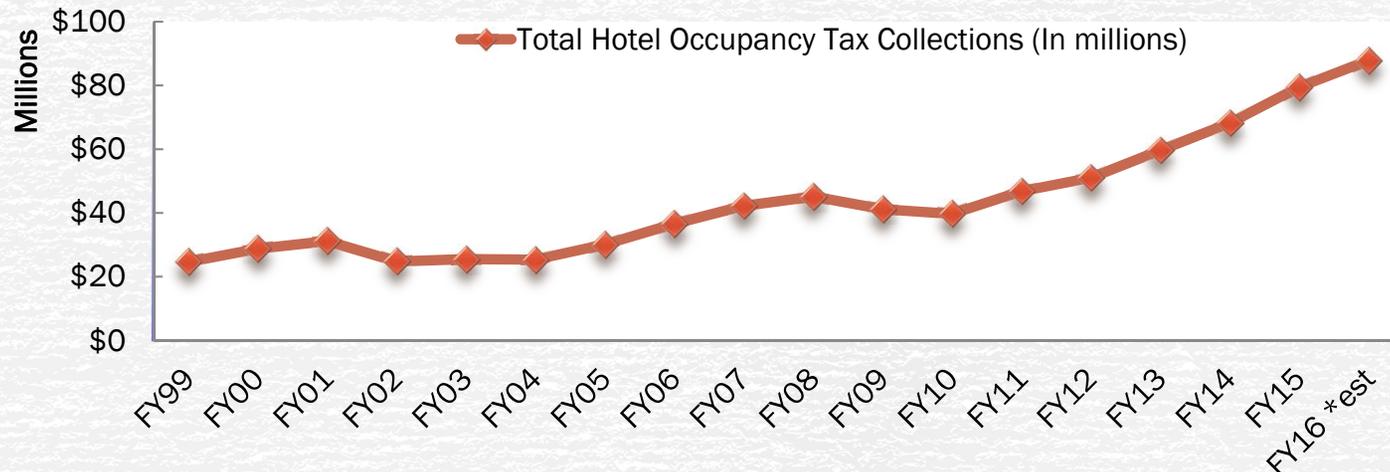
- Average 2-year cycle growth of \$3.1 million, or 14% (2002-2014)
- Average annual growth from 2010-2015 of \$3.4 million, or 11.5%
- 140% increase from 2002 - 2015
- Industry is an economic engine for the City

Estimated City Sales/Property Tax Generated:



THE WHY OF CONVENTION CENTERS

Convention Center's Success – Historical Look



FY99 Total HOT collected = \$24.6 million

Convention Center 2% Venue Tax Assessed

Convention Center Northside Expansion Complete

City-owned Hilton Opens

FY08 Total HOT collected = \$45.2 million

Total Estimated Room Nights of ACC events- 172,000

Circuit of the Americas (COTA) Opens

FY15 Total HOT collected = \$79.4 million

Total Estimated Room Nights of ACC events- 275,000

Current ACC Venue Scheduled Retirement

1999

2002

2004

2008

2012

2015

2029

THE WHY OF THE MASTER PLAN

Existing Conditions

- Current Hotel Inventory increased by 46% since 2004
- #1 reason Lost Business- No availability/too small
- More walkable rooms than competitors
- Competitors continue to improve/expand

	HBGCC	GRBCC	GTRCC	CCC	MCC	SDCC	ACC
Year Opened	1968	1987	2004	1990	2013	1989	1992
Expansion	Three times Latest 2015	2001	None	2005	None	2001, currently considered	1999

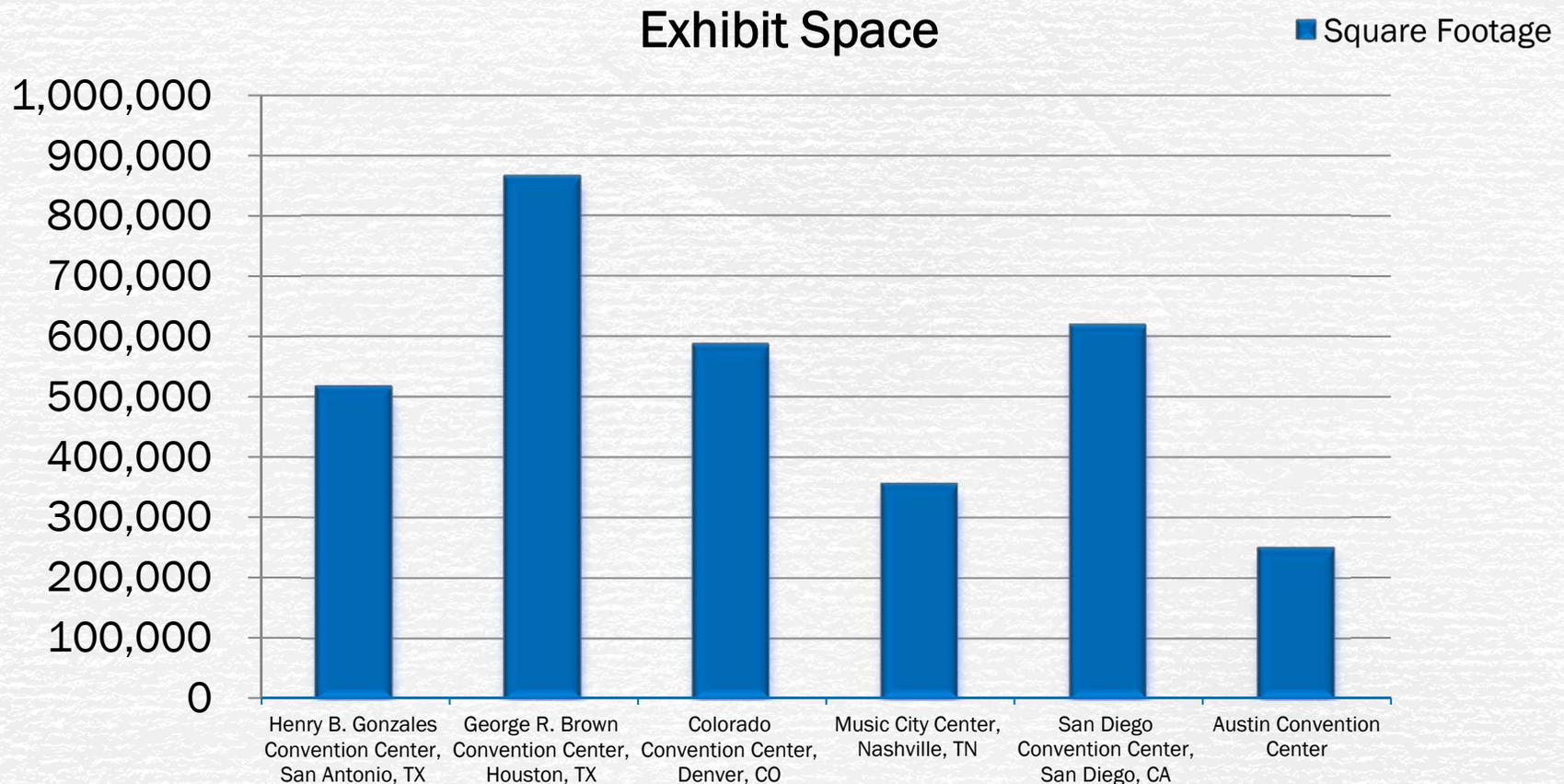
HBGCC – Henry B. Gonzales Convention Center, San Antonio, TX
 GRBCC – George R. Brown Convention Center, Houston, TX
 GTRCC – Gaylord Texan Resort & Convention Center, Grapevine, TX

CCC – Colorado Convention Center, Denver, CO
 SDCC – San Diego Convention Center, San Diego, CA

MCC – Music City Center, Nashville, TN
 ACC – Austin Convention Center

THE WHY OF THE MASTER PLAN

Austin Convention Center Peer City Comparisons

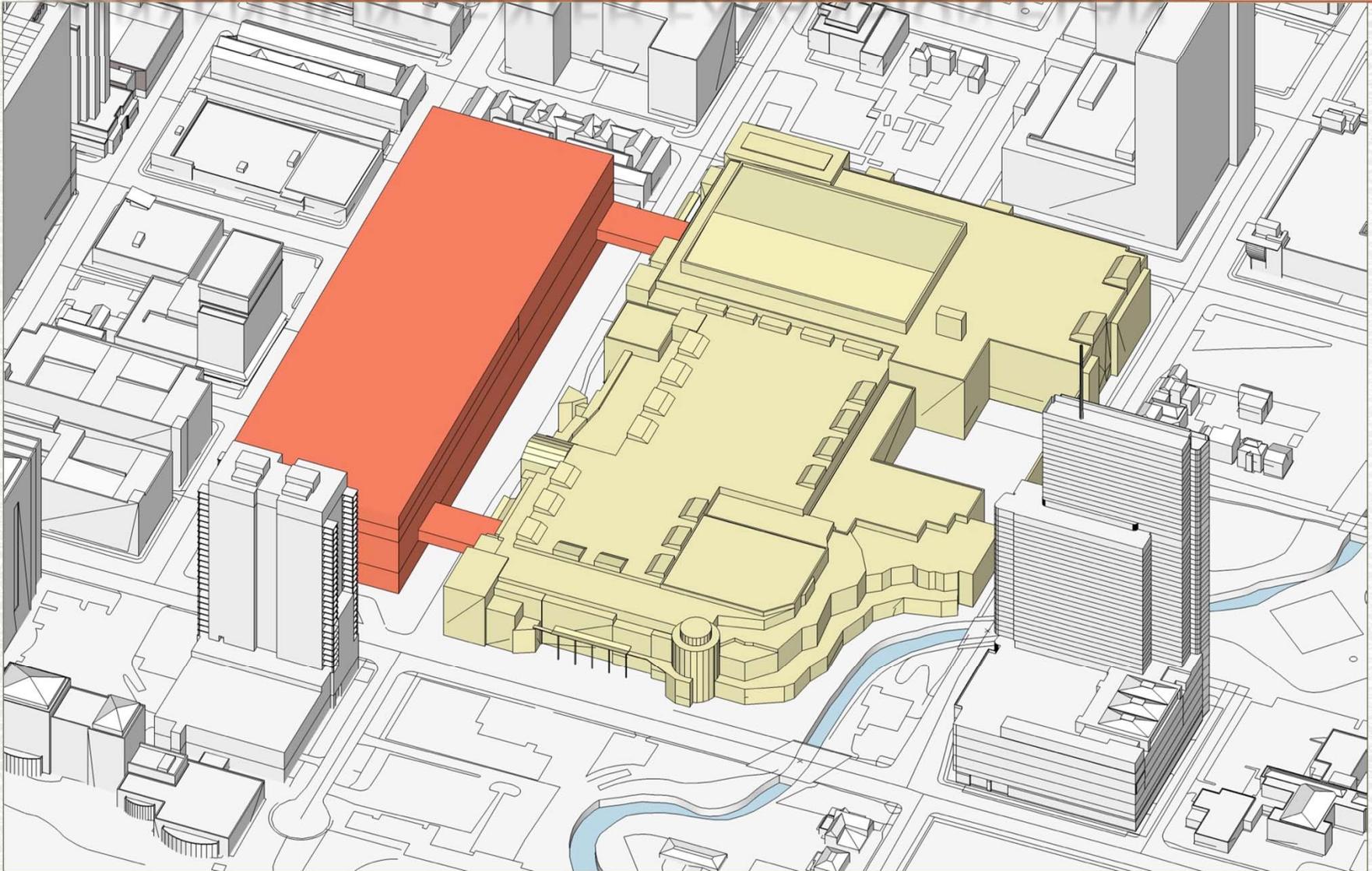


THE WHY OF THE MASTER PLAN

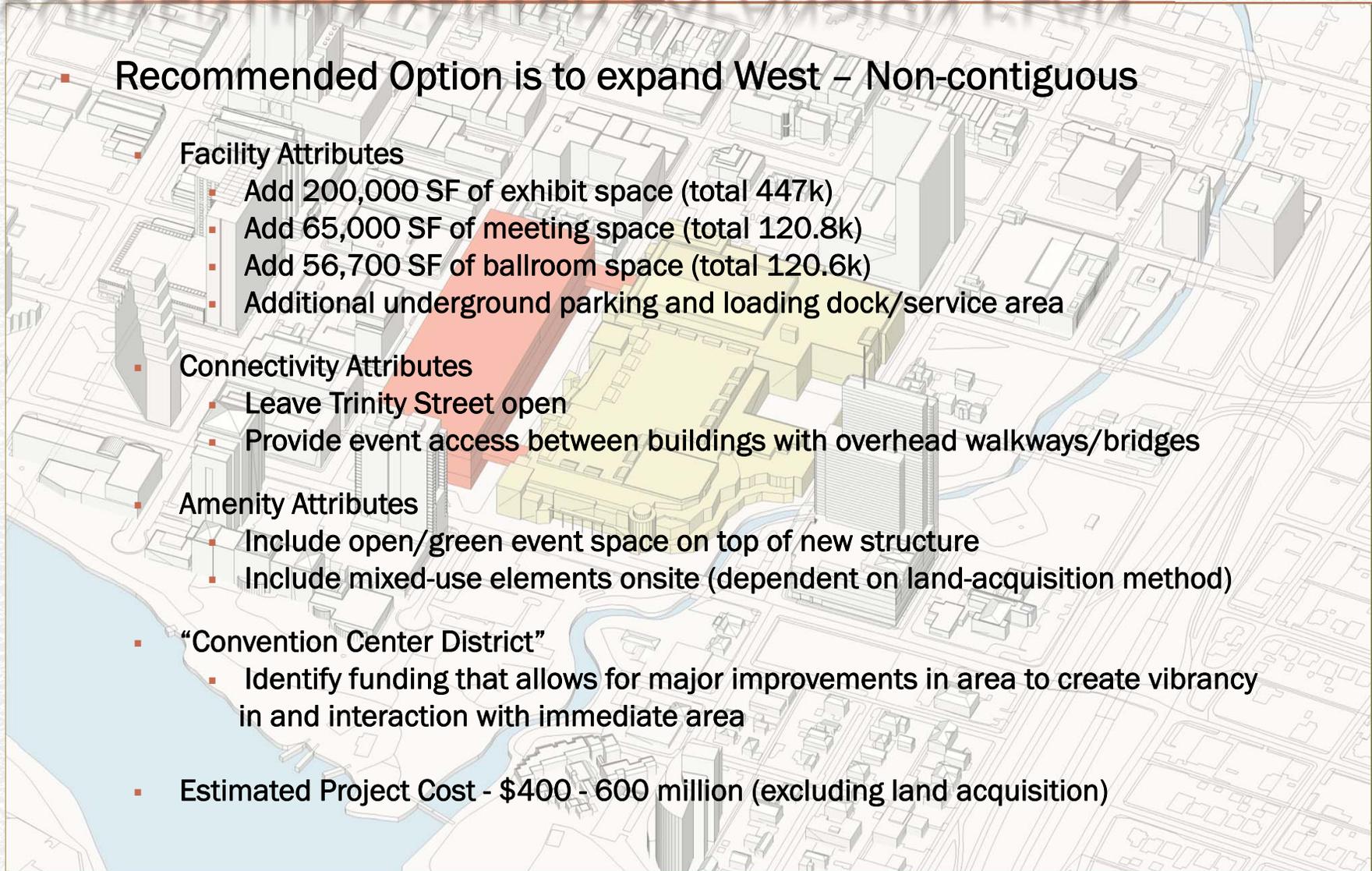
With City Council approval, Convention Center sought industry experts to create plan.

- Gensler, Conventional Wisdom and Johnson Consulting
 - Employed process involving stakeholder input and analysis
 - Held multiple planning sessions and workshops to gather input
 - Participants included City executives & staff, hoteliers, customers and industry stakeholders
 - Developed 6 options for evaluation
 - Ranged from no expansion, to expansion in various directions and relocation
 - Utilized market analysis and stakeholder input to evaluate each option
 - Performed in-depth economic & market analysis of current state & options
 - Thorough, deliberate process spanned 7+ months
 - Arrived at recommendation for expansion with proposed option

CONVENTION CENTER EXPANSION PLAN



CONVENTION CENTER EXPANSION PLAN



- **Recommended Option is to expand West – Non-contiguous**
 - **Facility Attributes**
 - Add 200,000 SF of exhibit space (total 447k)
 - Add 65,000 SF of meeting space (total 120.8k)
 - Add 56,700 SF of ballroom space (total 120.6k)
 - Additional underground parking and loading dock/service area
 - **Connectivity Attributes**
 - Leave Trinity Street open
 - Provide event access between buildings with overhead walkways/bridges
 - **Amenity Attributes**
 - Include open/green event space on top of new structure
 - Include mixed-use elements onsite (dependent on land-acquisition method)
 - **“Convention Center District”**
 - Identify funding that allows for major improvements in area to create vibrancy in and interaction with immediate area
 - **Estimated Project Cost - \$400 - 600 million (excluding land acquisition)**

CONVENTION CENTER EXPANSION PLAN

Gensler



Phase III Expansion

CONVENTION CENTER EXPANSION PLAN



The corner of San Jacinto and Cesar Chavez with streetside restaurants and retail.

CONVENTION CENTER EXPANSION PLAN

Gensler



CONVENTION CENTER EXPANSION PLAN

Gensler



CONVENTION CENTER EXPANSION PLAN





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